

## National Insurance Contributions



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You pay National Insurance contributions to qualify for certain benefits (contribution-based Jobseeker's Allowance, contribution-based Employment and Support Allowance, Maternity Allowance, Bereavement Support Payment) and the State Pension.

You pay National Insurance if you're 16 or over and either:  
an employee earning above £166 a week  
self-employed and making a profit of £6,365 or more a year

## National Insurance Classes

There are different types of National Insurance (known as 'classes'). The type you pay depends on your employment status and how much you earn, and whether you have any gaps in your National Insurance record.

## Your National Insurance Number

You have a National Insurance number to make sure your National Insurance contributions and tax are recorded against your name only. It's made up of letters and numbers and never changes.

You can find your National Insurance number:

- on your payslip
- on your P60
- on letters about your tax, pension or benefits
- in the National Insurance section of your personal tax account

## Who Uses Your National Insurance Number

These organisations need to know what your number is:

- HM Revenue and Customs (HMRC)
- your employer
- the Department for Work and Pensions (which includes Jobcentre Plus and the Pension, Disability and Carers Service), if you claim state benefits, or in Northern Ireland the Department for Social Development

- your local council, if you claim Housing Benefit, or the Northern Ireland Housing Executive
- Electoral Registration Officers (to check your identity when you register to vote)
- the Student Loan Company, if you apply for a student loan
- your pension provider if you have a personal or stakeholder pension

To prevent identity fraud, keep your National Insurance number safe. Do not share it with anyone who does not need it.

## How Much You Pay

The amount of National Insurance you pay depends on your employment status and how much you earn.

### If You're Employed

You pay Class 1 National Insurance contributions. The rates for most people for the 2019 to 2020 tax year are:

Your pay	Class 1 National Insurance rate
£166 to £962 a week (£719 to £4,167 a month)	12%
Over £962 a week (£4,167 a month)	2%

### The amounts deducted and paid depend on:

- the employee's National Insurance category letter
- how much of the employee's earnings falls within each band

## National Insurance rates

This table shows how much employers deduct from employees' pay for the 2019 to 2020 tax year.

Category letter	£118 to £166 a week (£512 to £719 a month)	£166.01 to £962 a week (£719.01 to £4,167 a month)	Over £962 a week (£4,167 a month)
A	0%	12%	2%
B	0%	5.85%	2%
C	N/A	N/A	N/A
H	12%	12%	2%
J	2%	2%	2%
M	13%	12%	2%
Z	2%	2%	2%

## How to Pay

You pay National Insurance with your tax. Your employer will take it from your wages before you get paid. Your payslip will show your contributions.

## If you're self-employed

You pay Class 2 and Class 4 National Insurance, depending on your profits. Most people pay both through Self Assessment.

There are special rules for people with specific jobs (such as examiners or people who run businesses involving land or property) who do not pay Class 2 National Insurance through Self Assessment.

## If you're employed and self-employed

You might be an employee but also do self-employed work. In this case your employer will deduct your Class 1 National Insurance from your wages, and you have to pay Class 2 and 4 payments for your self-employed work.

How much you pay depends on your combined income from all your jobs. HM Revenue and Customs (HMRC) will let you know how much National Insurance is due after you've filed your Self Assessment tax return.

## Change of circumstance

You must tell HM Revenue and Customs (HMRC) if you:

- change your personal details, for example your name, address or marital status
- start being self-employed
- stop being self-employed